

IN THE CHANCERY COURT OF THE STATE OF TENNESSEE
TWENTIETH JUDICIAL DISTRICT, DAVIDSON COUNTY

STATE OF TENNESSEE, ex rel.)	
PAULA A. FLOWERS, Commissioner)	
of Commerce and Insurance for the State of)	
Tennessee,)	Case No. _____
)	
Petitioner)	
)	
v.)	
)	
Tennessee Trucking Association Self)	
Insurance Group Trust, a Tennessee)	
workers' compensation self-insurance trust,)	
et al.)	
)	
Respondent)	
_____)	

AFFIDAVIT OF LARRY C. KNIGHT, JR.
ASSISTANT COMMISSIONER FOR INSURANCE

STATE OF TENNESSEE)
 :
COUNTY OF DAVIDSON)

COMES NOW, LARRY C. KNIGHT, JR., and being first duly sworn, deposes
and says.

1. I am Larry C. Knight, Jr., and I am over the age of 21, and am otherwise in all
respects competent to give the within affidavit. I have personal knowledge of the matters
stated in this affidavit.

2. I am the duly appointed Assistant Commissioner for the Insurance Division in the
Tennessee Department of Commerce and Insurance (the "Department").

3. The Assistant Commissioner for Insurance oversees financial analysis and examinations sections, in which are employed the financial examiners for insurance companies doing business in Tennessee, operating under the regulatory authority of the Department. In addition, the Workers Compensation/Surplus Lines Self-Insurance Section is headed by a Director, and operates under the Assistant Commissioner's overall supervision. Approved workers compensation self-insurance groups authorized under Tenn. Code Ann. § 50-6-405(c) are regulated through this Section.

4. I am deeply concerned over the financial condition and operations of Respondent in this matter and have recommended to the Commissioner the receivership action contemplated by the petition filed concurrently with this affidavit.

5. My predecessor, Acting Assistant Commissioner for Insurance Daphne D. Smith, was appointed, pursuant to an Order of Administrative Supervision dated May 2, 2003, to act as Administrative Supervisor of Tennessee Trucking Association Self Insurance Group Trust ("TTA-SIGT"), and in that capacity immediately appointed Mark E. Jaquish, CFE, CPA, to be the examiner for TTA-SIGT.

6. I succeeded Acting Assistant Commissioner Smith as Administrative Supervisor of TTA-SIGT pursuant to the terms of the Third Amended Agreed Order of Administrative Supervision executed by Commissioner Paula A. Flowers on November 3, 2003.

7. True and correct copies of said Order of Administrative Supervision, as amended from time to time, and of the instrument appointing Mr. Jaquish as financial examiner are

attached hereto.

Further deponent saith not.

Larry C. Knight, Jr.

Sworn to and subscribed before
me this ____ day of January, 2004.

Notary Public

My commission expires: _____